



Offices in all three Pacific Coast states

THE BANK OF CALIFORNIA *National Association*

INTERNATIONAL DEPARTMENT: 407 S. W. Broadway, Portland, Oregon • (503) 225-3636
Cable: "Bankofcala" • Telex (WUD) 360178 • Mailing Address: Post Office Box 3121, 97208

October 8, 1980

12341
RECORDATION NO. _____ Filed 1425
OCT 24 1980 - 11 25 AM
INTERSTATE COMMERCE COMMISSION

No. 0 - 0
Date OCT 24 1980
Fee \$ 50.00
ICC Washington, D. C.

Hon. Agatha Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Secretary Mergenovich:

Please record, as provided in Section 49 USC 11303 (formerly 20C) of the Interstate Commerce Act, the Railroad Equipment Security Agreement dated as of September 24, 1980 granting a security interest in one railroad hopper car. The original and two certified copies of the document are enclosed with this letter of transmittal, along with a check in the amount of \$50.00.

The information required for such recordation by order of the Interstate Commerce Commission is as follows:

Section 1116.4 (b). The names and addresses of the parties to the transaction:

Mortgagor: Donald W. Wilson and Leslie L. Wilson
2163 Wembley Court
Lake Oswego, OR 97034

Mortgagee: The Bank of California, N.A.
P.O. Box 3121
Portland, OR 97208
Attn: Commercial Loans

RECEIVED
OCT 24 11 19 AM '80
I.C.C.
FEE OPERATION BR.

Handwritten signature: O. A. [unclear] — William D. McMan

THE BANK OF CALIFORNIA
National Association

Hon. Agatha Mergenovich
October 8, 1980
Page Two

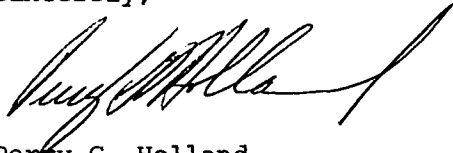
Section 1116.4 (c). Description of the equipment:

<u>Type</u>	<u>Quantity</u>	<u>Lessee's Car No.</u>	<u>Marked*</u>
100 Ton, 4,750 cubic feet covered hopper car	One	WCRX 116	

*This unit will have stenciled on each side thereof the following legend:
"Ownership subject to a security interest filed under the Interstate
Commerce Act, Section 20C, in favor of The Bank of California, Portland,
Oregon."

Section 1116.4 (f). The original document being recorded should be
returned to David R. Wood, Attorney-at-Law, c/o Pullman Standard,
1616 H. Street, N.W., Washington, D.C. 20006.

Sincerely,



Perry G. Holland
Vice President

PGH:jrv

Enclosures

10/24/80

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Perry G. Holland
Vice President
The Bank Of California, N.A.
P.O.Box 3121
407 S.W. Broadway
Portland, Oregon 97208

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **10/24/80** at **11:25am**, and assigned re-recording number(s). **12341**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

OCT 24 1980 -11 25 AM

Railroad Equipment Security Agreement

INTERSTATE COMMERCE COMMISSION

THIS SECURITY AGREEMENT is dated as of September 24, 1980.
from Donald W. Wilson and Leslie L. Wilson
(the "Mortgagor") to THE BANK OF CALIFORNIA, NATIONAL ASSOCIATION (the "Mortgagee").

W I T N E S S E T H:

WHEREAS, the Mortgagor is justly indebted to Mortgagee as evidenced by the Promissory Note(s), of the Mortgagor (the "Notes" whether one or more) payable to the order of the Mortgagee, secured hereby; including but not limited to that certain Note, dated September 24, 1980, in the principal amount of \$ 38,320. Said Notes and the principal and interest thereon, and any and all extensions or renewals thereof in whole or in part, and all other sums at any time due or owing from or required to be paid by the Mortgagor under the terms hereof or of said Notes are hereinafter referred to as "indebtedness hereby secured".

NOW, THEREFORE, the Mortgagor, as security for the payment of all the indebtedness hereby secured and all other obligations of Mortgagor to Mortgagee now or hereafter existing, present or contingent and the performance and observance of all the covenants and agreements in said Notes or in this Security Agreement provided to be performed or observed by the Mortgagor, does hereby grant, bargain, sell, convey, confirm, transfer, mortgage and set over unto hereby grant to the Mortgagee a security interest in, any and all the following described property, rights and interests, and all of the estate, right, title and interest of the Mortgagor therein, whether now owned or hereafter acquired (all of which property, rights and interests hereby transferred, conveyed and mortgaged is hereinafter collectively referred to as the "mortgaged property"):

- (a) The railroad cars bearing, respectively, the car reporting marks and being leased by Mortgagor under the lease(s) ("Leases" whether one or more) delivered to the respective lessee(s) ("Lessees" whether one or more) all as set forth and more fully described in Schedule 1 hereto.
- (b) All accessories, equipment, parts and appurtenances appertaining or attached to any of the equipment hereinabove described, whether now owned or hereafter acquired, and all substitutions, renewals and replacements of and additions, improvements, accessions and accumulations to any and all of said equipment, including all additions thereto which are now or shall hereafter be incorporated therein, together with all the rents, issues, income, profits and proceeds thereof.

TO HAVE AND TO HOLD said mortgaged property unto the Mortgagee, its successors and assigns, forever, for the uses and purposes herein set forth.


SECTION 1. COVENANTS AND WARRANTIES:

The Mortgagor covenants, warrants and agrees as follows:

1.1 The Mortgagor is the owner and is lawfully seized and possessed of the mortgaged property and has good right, full power and authority to convey, transfer and mortgage the same to the Mortgagee; and such property is free from any and all liens and encumbrances prior to or on parity with or junior to the lien of this Security Agreement, and the Mortgagor will warrant and defend the title thereto against all claims and demands whatsoever.

1.2 The Mortgagor will do, execute, acknowledge, and deliver all and every further acts, deeds, conveyances, transfer and assurances necessary or proper for the better assuring, conveying, assigning and confirming unto the Mortgagee all of the mortgaged property, or property intended so to be, whether now owned or hereafter acquired.

1.3 The Mortgagor will promptly pay the indebtedness hereby secured as and when the same or any part thereof becomes due.

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1.4 Subject to the rights and obligations of the Lessor and Lessees under the Leases, to maintain the equipment covered thereunder the Mortgagor will maintain, preserve and keep or will cause the mortgaged property and each and every part thereof to be maintained, preserved and kept in safe and good repair, working order and condition, and will from time to time make or cause to be made all necessary and proper repairs, renewals, and replacements so that the value and efficiency of such property shall not be impaired.

1.5 The Mortgagor will from time to time duly pay and discharge or cause to be paid and discharged all taxes, assessments and governmental charges lawfully imposed upon or against the mortgaged property or any part thereof, and will not suffer to exist any mechanics', laborers', statutory or other lien on the mortgaged property or any part thereof.

1.6 The Mortgagor will at its own expense duly comply with and perform all the covenants and obligations of the Mortgagor under the Leases and will at its own expense seek to cause the Lessees to comply with and observe all the terms and conditions of the Leases and, without limiting the foregoing, at the request of the Mortgagee, the Mortgagor will at its own expense take such action with respect to enforcement of the Leases, and the duties and obligations of the Lessees thereunder, as the Mortgagee may from time to time direct; provided that the Mortgagor shall not have any right to settle, adjust, compound or compromise any claim against the Lessees under the Leases without the prior written consent of the Mortgagee. Mortgagor at its sole cost will appear and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of Mortgagor as Lessor under the Leases.


1.7 The Mortgagor shall not, without the prior consent of the Mortgagee take any action to terminate, modify or accept a surrender of any Lease or consent to the creation or existence of any mortgage, security interest, or other lien on the Lease, the rentals due thereunder, or any of the mortgaged property.

1.8 The Mortgagor will furnish to the Mortgagee such information respecting the financial condition of the Mortgagor and its business and operations, as the Mortgagee shall from time to time reasonably request.

1.9 If the Mortgagor shall fail to observe and perform any of the covenants set forth in this Section 1, the Mortgagee may advance sums to, and may perform the same and all advances made by the Mortgagee shall, with interest thereon at the rate then provided in the Notes or 10% per annum, whichever is higher, and same shall constitute part of the indebtedness hereby secured and shall be payable forthwith; but no such act or expenditure by the Mortgagee shall relieve the Mortgagor from the consequence of any default.

1.10 The Mortgagor shall at all reasonable times provide Mortgagee access to all Mortgagor's books and records relating to the mortgaged property and disclose to Mortgagee all information concerning the condition and location of the mortgaged property as Mortgagee may reasonably request.

1.11 Mortgagor will at all times maintain physical damage, fire and extended coverage insurance under a policy (showing mortgagee as loss payee or with a lienholder's endorsement in favor of Mortgagee from a reliable insurance company, all as shall be acceptable to Mortgagee. The extent of such insurance coverage shall at all times be in an amount in excess of the amount of indebtedness hereby secured and proof of such coverage and of its being in full force and effect shall promptly upon Mortgagee's request provided by Mortgagor.

Certified Copy 

1.12 Marking of Equipment. Mortgagor will cause the mortgaged property to be numbered with its identifying number and the number of the ICC filing relating thereto, and will keep and maintain plainly, distinctly, permanently and conspicuously marked on each side of each unit of mortgaged property in letters not less than one inch in height, the words:

Ownership subject to a security interest filed under
the Interstate Commerce Act, Section 20c,
in favor of The Bank of California, Portland, Oregon.

or other appropriate markings approved by Mortgagee. Mortgagor will make the changes thereof and additions thereto which may be required by law in order to protect the Mortgagors rights under this agreement. Mortgagor will not allow the Mortgaged property to be operated until such markings have been made thereon and will replace promptly and such markings which may be removed, defaced or destroyed.


The identifying numbers shall be as follows: WCRX116

Mortgagor will not permit the identifying number to be changed except in accordance with a statement of new number to be substituted therefor, which statement previously shall have been filed with Mortgagee and filed, recorded or deposited on behalf of Mortgagor in all public offices where this Agreement shall have been filed, recorded or deposited. Except as provided in this paragraph, Mortgagor will not allow the name of any person, association or corporation to be placed on any unit of mortgaged property as a designation that might be interpreted as a claim of ownership; provided, however, that United Grain Corporation of Oregon as Lessee may cause the mortgaged property to be lettered with the names or initials or other insignia customarily used by United Grain Corporation of Oregon as Lessee, on railroad equipment used by it of the same or a similar type for convenience or identification.

SECTION 2. APPLICATION OF PROCEEDS OF LEASES:

2.1 The Mortgagor has executed and delivered to Mortgagee an Assignment of Lease in the form and text attached hereto as Schedule II, dated on or prior to the date hereof ("Assignment") with respect to each of the Leases, under which the Mortgagor assigns or transfers unto Mortgagee, its successors and assigns, as further security for the indebtedness hereby secured, each such Lease and all rentals and other sums due and to be come due thereunder provided that unless and until an event of default under Section 3 hereof has occurred and is continuing, all rentals and other sums from time to time payable on account of such Lease shall be paid to and be received by Mortgagor. If an event of default under Section 3 hereof, has occurred and is continuing, all rentals and other sums from time to time payable on the leases shall be paid to and received by the Mortgagee pursuant to the Assignment, and shall be applied in the manner set forth in Section 3.3 hereof.

2.2 Without regard to whether an event of default under Section 3 hereof has occurred and is continuing, Mortgagor agrees that it will pay over to Mortgagee all monies ("settlement monies") paid to it pursuant to a Lease as settlement for the loss, theft, destruction, or damage beyond repair of any car or cars leased thereunder for application, at Mortgagee's discretion to principal and/or interest on the Notes. The Mortgagor shall promptly transmit to Mortgagee any notice or information it receives concerning loss, theft, destruction or damage to cars covered by a Lease requiring settlement payment under such Lease.

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SECTION 3. DEFAULTS AND OTHER PROVISIONS:

3.1 The term "event of default" for the purpose hereof shall mean any one or more of the following:

- (a) Default in the payment of principal or interest on any of the Notes when due.
- (b) Default in the payment of the Notes at maturity, whether by acceleration or otherwise;
- (c) Default in the due observance or performance of any other covenant, condition or agreement required to be observed and performed by the Mortgagor in the Notes, the Assignment, any Loan Agreement executed by Mortgagor in favor of Mortgagee or this Mortgage.
- (d) Any representation or warranty made by the Mortgagor to the Mortgagee in writing herein or in any Loan Agreement executed by Mortgagor in favor of Bank, or in the Assignment or in any statement or certificate furnished by the Mortgagor to the Mortgagee in connection with the making of any loan or loans evidenced by the Notes, proves untrue in any material respect as of the date of the issuance or making thereof;
- (e) The entry of a decree or order by a court having jurisdiction adjudging the Mortgagor, a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Mortgagor under the Federal Bankruptcy Act or any other applicable Federal or State law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Mortgagor or of any substantial part of its property, or ordering the winding up or liquidation of its affairs; and the continuance of any such decree or order unstayed and in effect for a period of thirty (30) consecutive days;
- (f) The institution by the Mortgagor, of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the Federal Bankruptcy Act or any other applicable Federal or State law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Mortgagor or of any substantial part of its property, or the making by the Mortgagor of an assignment for the benefit of creditors, or the admission in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Mortgagor in furtherance of any such action;

3.2 When any such event of default occurs, the Mortgagee may exercise any one or more or all, and in any order, of the remedies hereinafter set forth, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies; but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

- (a) The Mortgagee may, by notice in writing to the Mortgagor, declare the entire unpaid balance of the Notes to be immediately due and payable; and thereupon all such unpaid balance, together with all accrued interest thereon, shall be and become immediately due and payable;

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(b) The Mortgagee, personally or by agents or attorneys, shall have the right to take immediate possession of the mortgaged property, or any portion thereof, and for that purpose may pursue the same wherever it may be found, and may enter any of the premises of the Mortgagor, with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same, or use and operate the same until sold; it being understood, without limiting the foregoing, that the Mortgagee may, and is hereby given the right and authority to, keep and store said mortgaged property, or any part thereof, on the premises of the Mortgagor, and that the Mortgagee shall not thereby be deemed to have surrendered, or to have failed to take, possession of such mortgaged property;


(c) The Mortgagee may, if at the time such action may be lawful either with or without taking possession and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given such notice of such sale as may be affirmatively required by applicable law, sell and dispose of said mortgaged property, or any part thereof, at public auction or private sale to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Mortgagee may determine, and at any place (whether or not it be the location of the mortgaged property or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further published notice; and the Mortgagee or the holder or holders of the Notes, or of any interest therein, may bid and become the purchaser at any such sale;

(d) The Mortgagee may proceed to protect and enforce this Mortgage and the Notes by suit or suits or proceedings in equity, at law or in pending bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the mortgaged property or any part thereof, for the recovery of judgment for the indebtedness hereby secured, or for the enforcement of any other proper legal or equitable remedy available under applicable law;

(e) The Mortgagee may proceed to exercise in respect of the Leases and the property covered thereby and the duties, obligations and liabilities of the Lessees thereunder, all rights, privileges and remedies in said Leases or by applicable law permitted or provided to be exercised by the Mortgagor, and may exercise all such rights and remedies either in the name of the Mortgagee or in the name of the Mortgagor for the use and benefit of the Mortgagee and Mortgagee may contact any Lessee under the Loan directly and direct that all payments under the Loan be made solely and directly to Mortgagee. Without limiting any of the other terms of this Mortgage or of the Assignment, it is acknowledged and agreed by the Mortgagor that the Assignment shall be deemed to give and assign to and vest in the Mortgagee all the rights and powers in this paragraph (e) provided for;

(f) The Mortgagee may sell the rentals reserved under any or all of the Leases, and all right, title and interest of the Mortgagee as assignee thereof, at public auction to the highest bidder and either for cash or on credit, and provided always that the Mortgagee shall also comply with any applicable mandatory legal requirements in connection with such sale.

3.3 If the Mortgagee shall be receiving or shall have received monies pursuant to the Assignment, it may from time to time apply such monies against the next succeeding installment of interest and then against principal due on the Notes, or if proceedings have been commenced for the sale of the mortgaged

Certified Copy 

property then all sums so received and the purchase money proceeds and avails of any sale of the mortgaged property or any part thereof, and the proceeds and avails of any other remedy hereunder, or other realization of the security hereby given, and the proceeds of any sale pursuant to subparagraph (f) of Section 3.2 hereof, shall be applied:

- (a) First, to the payment of the costs and expenses of the sale, proceeding or other realization, including all costs and expenses and charges for pursuing, searching for, taking, removing, keeping, storing, advertising and selling such mortgaged property or, as the case may be, said rentals, the reasonable fees and expenses of the attorneys and agents of the Mortgagee in connection therewith, and to the payment of all taxes, assessments, or similar liens on the mortgaged property which may at that time be superior to the lien of this Mortgage;
- (b) Second, to the payment of all advances made by the Mortgagee pursuant to Section 1.9 hereof, together with all interest therefor;
- (c) Third, to the payment of the whole amount remaining unpaid on the Notes, both for principal and interest, and to the payment of any other indebtedness of the Mortgagor hereunder or the indebtedness secured hereby, so far as such proceeds may reach;
- (d) Fourth, to the payment of the surplus, if any, to the Mortgagor, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

The Mortgagee shall not be liable for interest on any sums held by it pursuant to this Paragraph 3.3. If there is a deficiency, the Mortgagor shall remain liable therefor and shall forthwith pay the amount of any such deficiency to the Mortgagee.


3.4 Any sale or sales pursuant to the provisions hereof, whether under the power of sale granted hereby or pursuant to any legal proceedings, shall operate to divest the Mortgagor of all right, title, interest, claim and demand whatsoever, either at law or in equity, of, in and to the mortgaged property so sold, and shall be free and clear of any and all rights of redemption by, through or under the Mortgagor, the Mortgagor hereby covenanting and agreeing that it will not at any time insist upon or plead, or take the benefit or advantage of or from, any law now or hereafter in force providing for a valuation of appraisement of the mortgaged property prior to any sale or sales thereof or providing for any right to redeem the mortgaged property or any part thereof. In the event at any such sale the holder or holders of the Notes is or are the successful purchaser or purchasers, such holder or holders of said Notes shall be entitled, for the purpose of making settlement or payment, to use and apply said Notes by crediting thereon the amount apportionable and applicable thereto out of the net proceeds of such sale.

SECTION 4. MISCELLANEOUS:

4.1 Any notice provided for hereby or by any applicable law to be given to the Mortgagor or Mortgagee shall be in writing and shall be deemed to have been given when delivered personally or when deposited in the United States mail, postage prepaid, addressed to the Mortgagor at its address set forth as follows:

Mortgagor:

Mr. Donald W. Wilson
2163 Wembley Court
Lake Oswego, OREGON 97034

Certified Copy 

Mortgagee:

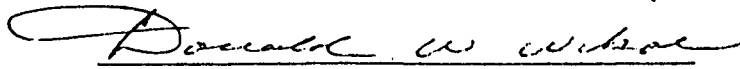
The Bank of California
P.O. Box 3121
407 SW Broadway Street
Portland, OREGON 97208
Attn: Commercial Loan Department


4.2 The failure or delay of the Mortgagee to insist in any one or more instances upon the performance of any of the terms, covenants or conditions of this Mortgage, or to exercise any right, remedy or privilege herein conferred, shall not impair, or be construed as thereafter waiving any such covenants, remedies, conditions or provisions; but every such term, condition and covenant shall continue and remain in full force and effect. Nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Mortgage operate to prejudice, waive or affect the security of this Mortgage or any rights, powers or remedies hereunder; nor shall the Mortgagee be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

4.3 The unenforceability or invalidity of any provision or provisions of this Mortgage shall not render any other provision or provisions herein contained unenforceable or invalid.

4.4 All the covenants, stipulations, promises, undertakings and agreements herein contained by or on behalf of the Mortgagor shall bind and insure to the benefit of its successors, assigns, heirs and representatives, whether so expressed or not.

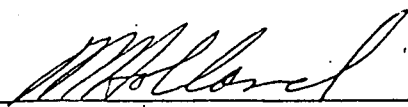
IN WITNESS WHEREOF, the Mortgagor has executed this Railroad Equipment Security Agreement as of the day and year first written above.


Donald W. Wilson

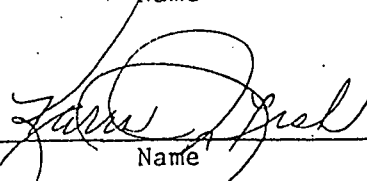

Leslie L. Wilson

Accepted by Mortgagee
this 7 day of October, 1980

The Bank of California,
National Association

By 
Name

V.P.
Title

By 
Name

I.O.
Title

STATE OF OREGON)
) SS
COUNTY OF *Mult.*)

On this 7th day of October, 1980
before me personally appeared Donald W. Wilson and Leslie L. Wilson
to me personally known, who being by me duly sworn, says that he has
acknowledged that the execution of the foregoing instrument was his
free act and deed.

Virginia Wager

Notary Public

My Commission expires 12-7-80

STATE OF OREGON)
) SS
COUNTY OF *Mult.*)

On this 7th day of October, 1980
before me personally appeared Perry G. Holland and Karen J. Lesh
to me personally known, who being by me duly
sworn, say that they are, respectively, the Vice President
and International Officer of The Bank of California, N.A.,
a national banking association, that the seal affixed to the foregoing
instrument is the corporate seal of said association, that said
instrument was signed and sealed on behalf of said association by
authority of its Board of Directors, and they acknowledged that the
execution of the foregoing instrument was the free act and deed of
said association.

Virginia Wager

Notary Public

My Commission expires 12-7-80